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8 Attorneys for Defendants
HSBC MORTGAGE CORPORATION (USA) AND
9 HSBC BANK USA, N.A.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 Philip Wong, Frederic Chaussy, and Leslie
14 Marie Shearn, individually, on behalf of all
15 others similarly situated, and on behalf of
the general public,

16 Plaintiffs,

17 v.

18 HSBC Mortgage Corporation (USA);
19 HSBC Bank USA, N.A.; and DOES 1
through 50, inclusive,

20 Defendants.
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Case No. C 07 2446 MMC [ECF]

**DECLARATION OF AMY YOUNG IN
SUPPORT OF DEFENDANTS'
OPPOSITION TO PLAINTIFFS' MOTION
FOR CONDITIONAL CERTIFICATION,
PRODUCTION OF UPDATED CLASS
LIST, AND PARTIAL SUMMARY
JUDGMENT**

Date: February 8, 2008
Time: 9:00 a.m.
Courtroom: 7 (19th Floor)
Judge: Hon. Maxine M. Chesney

Complaint Filed: June 29, 2007 (Amended)
Trial Date: Not Yet Set

1 I, Amy Young, hereby declare and state:

2 1. I have personal knowledge of the facts set forth below. If called as a witness,
3 I could and would testify competently to the matters set forth in this declaration.

4 2. I have been employed by HSBC Mortgage Corporation (USA) ("HSBC
5 Mortgage") for approximately two and a half years. Prior to that, I was employed by HSBC
6 Consumer Lending for two years. My current job title is Regional Sales Manager for Southern
7 California. I am presently the most senior person on the retail side of HSBC Mortgage in Southern
8 California.

9 3. I manage all of the loan officers employed by HSBC Mortgage in Southern
10 California. Currently, I manage four (4) loan officers. At our peak, I managed ten (10) loan
11 officers.

12 4. My employer is HSBC Mortgage, which is a separate entity from HSBC Bank
13 U.S.A., N.A. ("HSBC Bank"). The manager to whom I report, Jeff Needham, is also an employee of
14 HSBC Mortgage. I do not report to any manager of HSBC Bank, nor do any of the loan officers
15 whom I manage. They only report to me, and not an HSBC Bank branch manager.

16 5. All the loan officers whom I manage are employees of HSBC Mortgage. I
17 specifically tell applicants whom I interview for the loan officer position that, if hired, they will be
18 employed by HSBC Mortgage and not HSBC Bank. HSBC Mortgage Corporation (USA) is listed
19 as the employer name on the business cards of all loan officers whom I supervise, and HSBC
20 Mortgage is also indicated on their paychecks and W-2 forms.

21 6. I tell loan officers whom I supervise that it is totally up to them how and
22 where they spend their time during the week. The HSBC Bank branches are merely referral sources
23 and how much time the loan officers spend at the branches is up to them.

24 7. My loan officers use a schedule only to indicate which Bank branch they are
25 "assigned to" for each day of the week. By "assigned to," I mean that a loan officer will receive any
26 client referrals coming from a particular Bank branch when they are "assigned to" that particular
27 Branch. In other words, this is for continuity for the Bank branches so they know which loan officer
28 to contact if they have a question or a referral. The loan officers do not have to be physically present

1 at the Bank branch they are assigned to for a particular day. The loan officers do not even have to
2 stop by the Bank branch they are assigned to for a particular day. To the extent the loan officer
3 wants to drop by a Bank branch for potential referrals, the loan officer would look at the schedule
4 and stop by the branch they are assigned to for that day. However, it is completely up to the loan
5 officer if and when they visit the Bank branch.

6 8. I do not require my loan officers to keep a calendar or to otherwise document
7 what they have done for the day. I do not require my loan officers to tell me where they are each
8 day, but encourage them to have open communication with me regarding their daily activity. I do
9 not keep track of my loan officers' hours. How they spend their work day is completely up to them.
10 They may work as little as they like or as much as they like.

11 9. Of the thirteen (13) Bank branches in my region, approximately four (4) have
12 a dedicated land line that an HSBC Mortgage employee can use. All of my loan officers have
13 BlackBerry devices, which is the telephone number they typically use.

14 10. My loan officers and I have staff meetings periodically, but they are generally
15 via conference call or over lunch. My loan officers can call into the staff meeting from any location.

16 11. My loan officers are free to attend trade shows and other networking events.
17 Their attendance at these functions to obtain leads and referrals is completely up to them and within
18 their discretion. I do not require them to attend any such events. How my loan officers obtain leads
19 and referrals is within their discretion.

20 12. My loan officers are not required to have a home office.

21 13. Within my region, the expense policy varies from the national level. For
22 example, I am in charge of determining how much my loan officers can spend for items such as
23 mileage and entertaining clients, which varies between region.

24 14. How I apply the progressive discipline policy varies by each loan officer, and
25 I will diverge from the progressive discipline policy as circumstances warrant. I view the
26 progressive discipline policy as guidance. For example, if the loan officer understands he or she
27 needs to improve, I may just given them a verbal counseling rather than writing him or her up. Also,
28 if the loan officer has improved but has slipped back again, I may give him or her a second written

1 warning, rather than terminating him or her. However, I would not do a termination without the
2 involvement of Human Resources.

3 15. Performance goals also vary by region and by manager. I will adjust
4 performance goals based upon the market and the individual compensation goals of my loan officers.

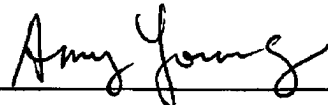
5 16. There are also variances with respect to the compensation of loan officers
6 during the first few months of employment. For example, I have the discretion to grant loan officers
7 a guarantee of money or a "forgivable draw" when they start. I grant a forgivable draw for
8 anywhere between three to six months. Additionally, sometimes I will provide a loan officer a
9 higher draw. I have provided loan officers a draw of up to \$35,000 if they are performing well
10 above average.

11 17. I provide training to the loan officers who I manage on an almost daily basis,
12 and the training I provide depends on the individual loan officer. I tell my loan officers to call me if
13 they have any questions. Most of the loan officers under my supervision ask me questions every
14 day.

15 18. In 2007, at least one of my loan officers earned over \$100,000, over half of
16 which came from commission.

17 19. Christine Lim's employment with HSBC Mortgage was terminated for
18 unsatisfactory performance related to low production.

19 I declare under penalty of perjury under the laws of the State of California and the
20 United States of America that the foregoing declaration is true and correct to the best of my personal
21 knowledge. Executed this 18th day of January, 2008, in Los Angeles, California.

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24 AMY YOUNG
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